EPA: Notice of Deficiency

Outline of Issues and DNR proposed response

Timing of NOD

- February 24, 2004 - EPA Announced
- March 4, 2004 - Published in Federal Register
- March 24, 2004 - EPA & DNR met to review expectations for June 04 submittal
- June 3, 2004 - DNR will submit initial response to EPA
- September 4, 2005 - Deadline

Issues to Address

- Adequacy of Title V Program Funding
- Appropriate Management of Program Funds
- Issuance Rate of Operation Permits
- Statutory &/or Regulatory Authority Issues
  - Expiration of NSR Permits
  - Construction/ Operation Permit Interface
  - Insignificant Emission Units
  - Federal Enforceability of State Provisions

Potential Consequences

- If issues remain after 18 months, EPA MUST invoke sanctions (may invoke earlier)
- Potential Sanctions Include:
  - Restricted federal highway funds or projects
  - Increased industrial offsets (2:1) in nonattainment areas (10 counties)
- If issues remain after 24 months, EPA MUST take over WI Title V Program

Wisconsin's Proposed Response

- DNR believes it has met Federal Presumptive Minimum
- DNR expects to receive additional streamlining from APII.
- By 6/03/04 DNR will revise its workload analysis and fee analysis
- DNR will pursue funding stabilization in FY05-07 budget

Wisconsin Proposed Response

- DNR will inform EPA on its successful redeployment plan
- DNR will issue all remaining initial FOPs by December 31, 2004
- Programmatic issues will be addressed through procedural, regulatory or statutory changes.

EPA Reaction

- Positive Meeting
- State has flexibility in how it responds to NOD, outlined approach generally OK
- Cheryl Newton will be primary EPA contact
- Lloyd Eagan will be primary DNR contact
- EPA expressed importance of CPI for fees.
- EPA has concerns related to WA 118.

Stakeholder Involvement

- Information sent to EPA will be posted on web & notice sent to CAATF
- Permits and Fees Committee Meeting in May 2004 to review:
    - Draft Workload Analysis
    - Draft Fee Analysis
- More detailed involvement for statute and rule changes.